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FIRST TAKE: Dylan Taylor's Plans for Turning FirstService Commercial Into a Household Name

Veteran of Corporate and Global Services Hopes to Make FirstService a Top 3 Contender Among CRE Companies

By [Randyl Drummer](#)



Dyland E. Taylor has served in executive positions for Grubb & Ellis and Jones Lang LaSalle.
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When Toronto-based FirstService Corp. acquired a majority interest in GVA Williams last year, it acquired both a beachhead in the competitive New York City market and a portal through which to expand its U.S. and global real estate business. Since completing that acquisition nine months ago, FirstService Commercial Real Estate has set its sights on besting rivals to become one of the Big Three real estate services companies.

To lead that effort, FirstService CRE has enlisted the services of former Grubb & Ellis and JLL executive Dylan E. Taylor. He previously served as president of Global Client Services at G&E, where he supervised some 4,000 employees in six countries and more than 250 million square feet of corporate facilities and property management assignments.

FirstService CRE operates in 27 major metro areas in the U.S. In the U.S., it owns and operates Colliers International through its largest subsidiary CMN Inc., and also FirstService Williams in New York, New Jersey and Connecticut. The firm also operates specialty services under a variety of brands: PGP Property Valuation, PKF Hospitality Consulting and MHPM Project Management. The company, with a total of 190 offices, operates globally in 36 other countries under the Colliers International brand with annualized revenues of more than \$750 million.

FirstService CRE -- which bills itself as the fourth-largest global real estate firm in terms of revenue -- is tapping into Taylor's experience to solidify its U.S. business, which is at the center of its growth strategy.

Prior to joining Grubb & Ellis in 2005, Taylor was senior vice president, corporate solutions at Jones Lang LaSalle for more than five years. He holds an MBA from the University of Chicago and a bachelor's degree in engineering with honors from the University of Arizona.

The executive, who is based in Seattle, is still settling into his new job, but he took time to speak with **CoStar Advisor** a few days ago about FirstService CRE's corporate culture, building its U.S. platform and the challenge of taking on the likes of market leaders CB Richard Ellis, Jones Lange LaSalle and Cushman & Wakefield.

CoStar Advisor: What aspects of FirstService's platform attracted you?

Dylan Taylor: It's clear to me we have all the key ingredients to eventually emerge as one of the dominant three players in real estate services. We have a very strong international presence and organization. We have a very

strong operation in New York and Boston and a lot of partner companies nationally that touch on all the service lines important to build a robust national platform for corporate and institutional clients. We're also well capitalized and have a unique operating structure that allows for ownership at the local and business unit level. All of those things are rolled up into a larger strategic plan to grow the U.S. and become a dominant, fully integrated real estate services firms.

Advisor: How is the company culture different from other firms?

Taylor: Culture in real estate services is underrated as a competitive advantage. I'm very attracted to the FirstService culture. A 'client-centric' organization never goes out of style -- ensuring that all our clients in the field are focused on creating value. That's how we're going to continue to build our company. It's less about 'who's the top producer' and more about whether they understand how to design a solution for the client. Very few companies empower people in that way.

Advisor: With so many different types of companies under the FirstService umbrella, how are you tackling the branding issues?

Taylor: The branding is key, no doubt about it. Obviously it's important to associate world-class service with the FirstService name. But ultimately, what's more important is the ability to deliver operationally on the commitments we make to our clients. Specifically, to ensure we have a robust corporate services platform within the U.S. and a very strong, what I would call, institutional-grade property management organization. Ultimately, it's going to be about performance and our ability to drive value.

Advisor: What U.S. markets are you most interesting in expanding into?

Taylor: It's tough to prioritize it quite yet, whether we expand in city Y versus city Z. But I will say to be a top global real estate firm, you need to be a market leader, or among the market leaders, in at least the top 25 or 30 U.S. markets - what I would call the "NFL cities." Strategically, we need to achieve that.

Advisor: How will you be increasing FirstService's emphasis on corporate real estate?

Taylor: Corporate services is part of my background and it's a necessary condition if you're going to be a leader. We have to be strong in that area; there's no other way to achieve that goal. Having a strong leadership position in New York, which we have, is absolutely critical to our future success.

Advisor: How does FirstService's property management business fit into the equation? Does property management get the short shrift from real estate services companies in terms of resources and prestige?

Taylor: Similar to what's happening on the corporate side of the fence, there's an increasing concentration of ownership within institutions. Just like the corporates, they're looking for fully integrated services, consistency of service, and partners who can help drive value within their portfolio. To compete for those big institutions, you need to have a world-class property management organization.

Advisor: Every sector of commercial real estate has been hurt by the recession. How has the downturn and diminishing building-level income affected the U.S. property management business?

Taylor: Since property management fees are tied to occupancy and occupancy is down, revenues for property management services have declined. But there's some positive news. In an attempt to reduce costs, landlords in many cases are outsourcing more of their property management work, creating opportunities for firms like FirstService CRE. Landlords are willing to consider virtually anything to reposition their properties in an attempt to increase occupancy. Once again, this represents an opportunity for us.

Advisor: How does FirstService intend to differentiate itself from its top three rivals?

Taylor: We have all the necessary ingredients, but for our corporate services and a more robust platform in the U.S. That's really our focus. But if you look at the markets we're in internationally, we're incredibly strong - stronger I would submit than any other firm out there.